

### Massive overhauling of BKB underway

A massive reform will be carried through Bangladesh Krishi Bank to overhaul its sluggish functioning and infuse efficiency in its management, a senior official indicated yesterday, reports UNB.

The much-needed overhauling of BKB is likely to take place after the coming general election, due early next year.

"We couldn't do much reformative works in view of the forthcoming election," Dr ATM Shamsul Huda, Banking Division Secretary, said, adding that formalities for reforms in the agricultural bank are under process.

"For the time being, we won't intervene but be sure that the situation would not continue after the election," he cautioned, inaugurating a two-

day conference of BKB general managers.

All the general managers, deputy general managers, principal regional managers and regional managers of the specialised financial institute attended the conference at the BCIC auditorium here.

Dr Huda, a former managing director of BKB, reviewed the performance of the bank and noted that the BKB might reach the targets of lending and recovery this year.

But he was disappointed as the bank failed to expand its lending base and in developing new ideas that can cope with the changing milieu in banking system where service is the essence.

After 50 years of service with 836 branches nationwide, he said, the number of clients

of the bank remained stagnant at only 12-13 lakh while the Ansar-VDP Bank, just approved by the Cabinet and is expected to be launched soon, would have 45 lakh clients at its beginning.

On the other hand, the finance ministry official quoted statements of the Financial Sector Reform Programme, some private banks have been making hefty profit with limited but efficient manpower and a few branches.

The clients go to private and foreign banks because they get quick and satisfactory service from those banks," Dr Huda said, informing that five to six foreign banks are opening their offices in Dhaka within next quarter.

"You have to be viable, improve your business and de-

velop new products," the secretary told the bank officials, asking them to launch a drive to procure new clients holding the old ones and finance big projects in every region.

He warned that the government would not be in a position to do much for the banks. "Ability of the government is reducing because of the globalisation of the economy," he said.

The secretary informed that posts of the bank would be restructured and a scheme aiming at full development of the employees be initiated to bring professionalism in the service.

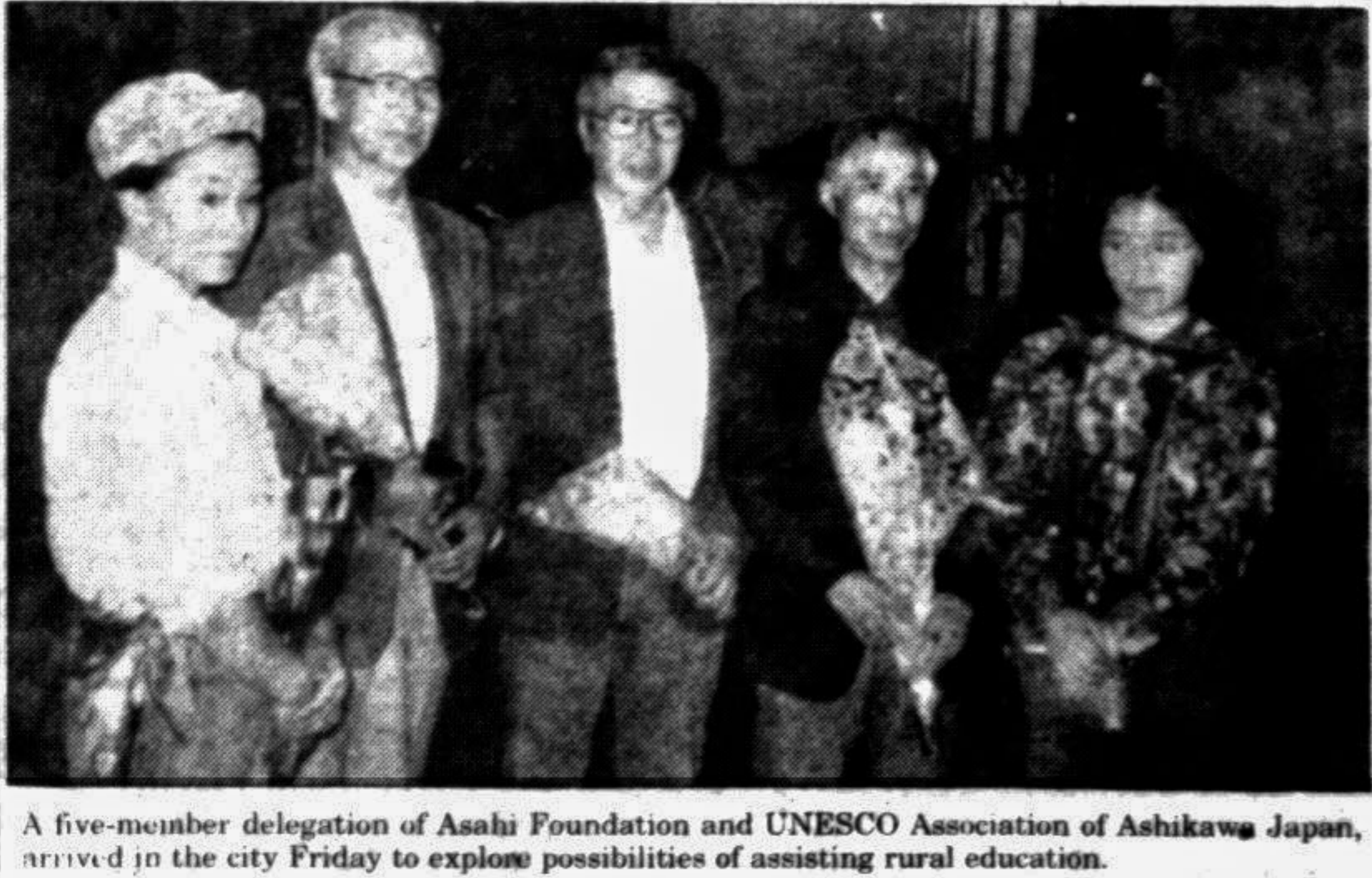
Khondaker Ibrahim Khaleq, Managing Director of BKB, said the bank disbursed Tk 605 crore till April, which is Tk

270 crore higher than that disbursed during the period of last year.

The bank recovered Tk 475 crore from default loan till April this fiscal, up from the recovery of Tk 23 crore during the period of last year, he said.

He also informed that the bank had taken steps to expand credit programme among the rural poor to alleviate poverty, and the progress during last 4-5 months was satisfactory.

BKB Chairman Atauddin Khan and Director Nizamuddin Khan, MP, also spoke at the inaugural function which was followed by a number of special sessions aiming at creating awareness among the bank officials about the changing economic environment.



A five-member delegation of Asahi Foundation and UNESCO Association of Ashikawa, Japan, arrived in the city Friday to explore possibilities of assisting rural education.

### IDB to provide import trade financing

Islamic Development Bank (IDB) will provide an import trade financing to Bangladesh amounting to 40 million US dollars to import roughly over 200,000 tons of wheat to meet the present foodgrains deficit, reports BSS.

This was agreed in Auckland in a meeting between the visiting Bangladesh Finance Minister M. Saifur Rahman and Vice President of IDB Abdullah Fuad Al-Omer on Friday.

Saifur Rahman briefed the donors about the food situation of the current year and requested them to increase aid. IDB is the first donor agency to respond to this request of the government of Bangladesh.

The Vice-President of IDB informed Saifur Rahman that they will soon send a mission to assess the country's requirement and also to finalise details about procurement procedure.

Saifur thanked the IDB Vice-President and informed that the wheat procured under the IDB loan would be utilised for the innovative food for education programme.

He further mentioned that despite food deficit this year, the government would not only continue with the food for education programme but would further expand it since the programme had been found very effective in reducing dropouts and increasing enrolment of children in primary schools.

During the Finance Minister's visit to Auckland, Koji Kashiyawa, President of Norinura Project Finance Limited and a former Vice-President of the World Bank also called on the Finance Minister and discussed the possibility of participating and co-financing a power generating project in Bangladesh.

### Prospect of soya bean cultivation bright in northern districts

NATORE, May 6: Prospect of soya bean cultivation in northern districts particularly in Natore is bright which can save huge foreign exchange every year, reports UNB.

According to official sources, institutions like Bangladesh Agricultural Research Institute, Bangladesh Agricultural University, Bangladesh Atomic Research Institute and Bangladesh Council of Scientific and Industrial Research, have been carrying on the cultivation of soya bean on an experimental basis in small scale in different parts of the country.

Officials said, soya bean seeds first imported in 1941 and it took a long time to complete its experiment for cultivation in Bangladesh.

A Natore horticulturist claimed that his attempt of soya bean cultivation in the area was a success. He said, the production cost is only about Tk 1,500 in per acre of land yielding 20 maunds of seeds on an average and price of which is about Tk 12,000. The crop takes only two months time to harvest and does not require any fertiliser.

According to agronomists, soya, soyameat, soyamilk and husk can be produced out of it. In fact it is a crop from which extraction of oil and pulse is possible simultaneously.

The sources also said, soya bean is more profitable for cultivation and no less alternative to any other cash crops. It is also a nutritious food containing 40 to 45 per cent of

meat and fish elements. It also contains 24 mg calcium, 690 mg phosphorus and sufficient quantity of vitamin B in per 100 gram.

Despite all the plus points, the cultivation of the crop could not be possible in the region due to want of government patronization, the sources added.

Local elites said, the government should take proper plan to cultivate soya bean in a large scale which will also reduce the import of edible oil and help boost up national economy.

Abul Kalam Azad of Rashidpur village in Gurudaspur thana has set a record in cultivating a high yielding variety of soya bean and extracted oil by crushing it in the local oil mill.

### JICA will continue to work, hopes commerce minister

Commerce and Information Minister M Shamsul Islam yesterday underlined the importance of utilising the experiences of the developed countries to continue the growth achieved in the economic sector, reports BSS.

He said it was essential to increase the economic cooperation between different countries with a view to building a poverty free world.

The minister was speaking as chief guest at the Annual General Meeting '95 of the Alumni Association of Japan International Cooperation Agency (JICA) here.

Referring to the increasing Japanese government cooperation in the economic development of Bangladesh, Shamsul Islam pointed out that the training facilities being provided by Japan to increase professional skills have been playing a positive role side by side increasing its investment in different fields.

He said like other sectors, cooperation in trade sector between Bangladesh and Japan should have to be considered on a priority basis.

The minister referred to the different reformative policies of the present government and said with a view to expedite the speed of development, trained and experienced professionals would be able to play an important role in this regard.

He expressed the hope that the JICA would continue to work for the identification and materialisation of the priority sectors to build a self-reliant economy. He hoped that side by side with the public sector, cooperation in private sector in implementing projects would increase in the coming days.

### Scope of increasing manpower export to Singapore discussed

An official meeting between Bangladesh and Singapore yesterday discussed the prospect of increasing manpower export to Singapore, reports UNB.

The meeting held here at Secretariat Between senior officials of the Ministry of Labour and Manpower and members of the visiting eight-member Recruiting Association from Singapore also discussed welfare aspects of the Bangladeshi recruits in Singapore.

Labour and Manpower Secretary Dr Harun-ar-Rashid led the Bangladesh team and President of Asian Recruitment Council (ARCO) and Singapore Recruiting Association Dr Chua Kim Seng represented the Singaporean side at the meeting.

Emphasising the concept of

manpower exchange Harun-ar-Rashid said to ensure strengthening bilateral relations between the two countries "It should be manpower exchange rather than manpower export."

Rashid said employment exchange between the two countries would help promote technology transfer from labour recruiting countries to labour exporting countries.

Dr Chua reciprocated the sentiment of Labour Secretary said Bangladeshi workers were playing a pioneering role in Singapore.

"They are hard-working, sincere, dutiful and disciplined and playing commendable role in development and nation-building activities in Singapore," he said.

Rashid urged the delegation members to see the welfare and social protection issues of the existing Bangladeshi work-force in Singapore, said an official handout.

Montazuddin Ahmed Joint Secretary, Ministry of Labour and Manpower, Abdus Sattar Khan, Director General of Bureau of Manpower, Employment and Training (BMET), Mosharraf Hossain, President of Bangladesh Association for International Recruiting Agencies (BAIRA), MA Siddique, Managing Director of Bangladesh Overseas Employment Service Limited (BOESL) and senior officials of Labour and Manpower Ministry and members of Executive Committee of BAIRA were present on the occasion.



\*Anselm A Quiah, Managing Director, Homebound Group representing DHL Worldwide Express in Bangladesh, receiving the first Jumbo Box shipment from Moynul Islam, Deputy Managing Director, Monno Group of Industries, at Monno Group's office, Dhaka recently. Desmond Quiah, Country Manager and Showket Hossain, Country Sales & Marketing Manager, DHL Worldwide Express were also present on the occasion.

### Companies Act '94 contradicts concept of market economy?

The chartered accountants have strongly criticised the Companies Act 1994, says a press release.

The criticism was made at a workshop on 'an analytical review of the Companies Act 1994' held at the Institute of Chartered Accountants of Bangladesh in the city recently.

They stated the act for being in contradiction with the concept of market economy and deregulation.

They were unanimous in that the idea of the new Act, which should have been mainly to simplify the law, to let the companies operate more deregulated and freely, was not so.

The keynote paper of the

workshop was presented by President ICAB Badrul Hossain FCA. ICAB past Presidents MJ Abedin FCA, Nur Mahammad Howlader FCA and Vice President AC Nath FCA also addressed the workshop.

The speakers said that the Companies Act 1994 contained too much of enactment on financial statement and disclosure requirements which could have been easily dispensed with by mere mention of due compliance with International Accounting and Auditing Standards as adopted in Bangladesh.

They pointed out that a number of new returns have been included which are in excess of paperwork with no benefit. "Only one return a year

would be sufficient and where there is no change in situation, no return should be required," the speakers emphasised.

The speakers further noted that too much of enactment was included on public issue and prospectus which was also redundant and a mere duplication since similar and sometimes conflicting rules and laws emanate from the Securities & Exchange Commission.

They told the workshop that there was no difference in compliance of accounting, audit, disclosure, returns filing and other legal requirements between private and public companies Act.

**BJMC Advertisement**

### Re-Tender Notice

Scaled tenders are hereby invited by the Deputy General Manager of Nabarun Jute Mills Ltd., Kanchan, Narayanganj from financially solvent bonafide truck-transporter traders to appoint carrying contractor for carrying by truck the jute goods manufactured by the mills to Chittagong port, different fertilizer factories in the country & different CSD/LSD, Silos of Food Department and various places. Tenderers must have permanent office at Dhaka & Chittagong and state address with details in the tender. Tenderers should enclose copy of Trade Licence (up to date renewed), practical experience certificate of serving any large industrial establishment as truck-carrying contractor for minimum 3 (three) years and financial solvency certificate issued by a nationalised bank with the tender. Those unable to state Dhaka & Chittagong permanent address, telephone number and enclose the said papers with tender, need not participate in the tender. Intending tenderers should drop their tenders in the tender box kept at BJMC Dhaka Zonal Office, Karim Chamber, 99, Motijheel C/A, Dhaka & Office of the Deputy Manager (Admin) of Nabarun Jute Mills Ltd., Kanchan, Narayanganj by 12-30 PM of 21-05-95. The tender box will be opened on the same day at 1-00 PM in presence (if any) of the tenderers. Pay Order/Bank Draft for Tk 25,000/= as earnest money in favour of Nabarun Jute Mills should be deposited with each tender. Tender schedule with detailed description will be available at Tk 100/- (one hundred) per set (non-refundable) from Accounts Section of BJMC Zonal Office, Karim Chamber, 99, Motijheel C/A, Dhaka & Office of the Manager (A&F) of Nabarun Jute Mills, Kanchan, Narayanganj up to 20-05-95. The mills authority reserves the right to accept any tender or reject all tenders. Successful tenderer shall have to deposit Tk 1,00,000/- (one lakh) with the mills cash as security money, for which no interest can be claimed.

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### Commodity market : Prices of oil, silver up, tea, cotton down

LONDON, May 6: The prices of oil and silver soared this week, marking the most spectacular rises among commodities, says AFP.

Oil lifted to its highest level since 1993 after the US announced a trade and investment embargo against Iran, while silver jumped to a six-year high as US investment funds entered the market on a speculative raid.

The other precious metals climbed on the back of silver's spectacular rise, while the base metals slipped in the wake of copper, hit by fears of large-scale selling China.

Coffee and the grains continued at a strong level, while cocoa and sugar fell.

**COPPER:** Easing. Copper ended the week 64 dollars lower at 2,723 dollars per tonne, in largely technical trading.

"There's still an underlying feeling that the fundamentals are positive, but the market is in the hands of the technical people right now and under pressure," said one dealer.

Talk that up to 80,000 tonnes of copper from China could be delivered into the LME's Singapore warehouse continues to plague the market, dealers at GNI said.

The feeling is that if this is indeed the case, then the next few stock figures will show arrivals of 20,000 tonnes, they added.

But one analyst said: "every time the Chinese want to drive down the copper price, they start a rumour about themselves."

Stocks on the London Metal Exchange (LME) rose for the first time since January, lifting 7,050 tonnes to 211,800 tonnes.

**LEAD:** Lower. Lead eased seven dollars during the week

to end at 622 dollars per tonne, falling in the wake of copper, as the metal lacked news, dealers said.

Weekly stocks fell by 7,650 tonnes to 272,700.

**ZINC:** Down. Zinc prices fell by 29 dollars to 1,086 dollars per tonne, again in largely technical trading.

News from China that the next stage of returning the Huludao Zinc Industry Co Smelters is underway had little effect on the market, dealers said.

The company has two smelters with a combined capacity of 130,000 tonnes per year, and the real question is whether the concentrates are available to a return to full production, dealers at GNI indicated.

**ALUMINIUM:** Easing. Aluminium ended the week 33 dollars lower at 1,775 dollars per tonne, affected by stocks figures and expectations of an increase in world production, dealers said.

An aluminum glut caused by a surge in exports from Russia, which had threatened to bankrupt much of the western industry, has come to an end, the LME said on Tuesday.

The LME reported that aluminium stocks had fallen below one million tonnes for the first time since January 1992 and were 62 per cent below the peak of 2.66 million tonnes in June last year.

As stocks fell, three-month prices rose from their lowest level in real terms in 1993 to reach a five-and-three-quarter year high in January at 2,195 dollars per tonne.

But prices have since fallen back on the belief that the decline in stocks could now prompt producers to increase output, breaking the memorandum of understanding to

cut production signed in February last year.

**NICKEL:** Lower. Nickel ended 300 dollars lower at 7,160 dollars per tonne in technical trading, as dealers said the metal had uncoupled itself from the fundamentals.

"Nickel staged a terrific bounce off support Tuesday, but it needs to break up through 7,200 dollars per tonne if it is not to come under further pressure," said one trader.

"There is real tightness in the physical market, and we see strong demand continuing well into 1996," said Lars-eric Johansson, Senior Vice President at Canadian producer Falconbridge.

Dealers said that in the US, nickel demand from the stainless steel industry remains buoyant despite evidence that the predicted "soft landing" for the economy is already happening.

Stocks fell by 1,800 tonnes to 112,590.

**TIN:** Higher. Tin ended the week 20 dollars higher at 5,980 dollars per tonne as dealers said the fundamentals had improved.

Bomfuturo, the Brazilian wild cat mining umbrella, announced that it expects output to fall to 5,900 tonnes in 1995 from 7,450 in 1994.

Stocks fell by 515 tonnes to 18,840.

**COCOA:** Easing. The price of cocoa beans fell by around 20 pounds to 950 pounds per tonne hit by a rise in the world harvest and by the weakness of the French franc, which made the Paris market particularly attractive to buyers.

The International Cocoa Organisation (ICCO) indicated the deficit between production and consumption would be around 115,000 tonnes in

1994-1995 (October to September) compared with previous estimates of a deficit of 120,000 tonnes.

The figure for world production was revised upwards to 2,455 million tonnes after a rise in the Ivory Coast harvest, which totalled 850,000 tonnes — some 10,000 tonnes above the 1993-1994 total.

**COFFEE:** Firm. Prices remained high at around 3,130 dollars per tonne, supported by prospects of frosts in Brazil. Dealers at GNI said prices were likely to remain firm until July, when the cold snaps are likely to be strongest.

The harvest from Brazil, the world's leading producer, was severely cut after two harsh cold snaps hit the fragile plantations last year.

**SUGAR:** Indecisive. Fears of congestion in Brazilian ports at the height of the export season pushed prices up to 306 dollars per tonne, but they then slipped to 303 dollars per tonne on lack of investor interest.

At the end of the week, prices rose after the announcement of an agreement between Cuba and Russia to exchange one million tonnes of sugar for three million tonnes of oil.

**VEGETABLE OILS:** Contrasting. The price of the vegetable oils fluctuated irregularly on the Rotterdam market, particularly influenced by soy-a price movements on the Chicago market.

Soya began the week higher, hit by delays in the planting process in the United States — the world's leading producer — due to bad weather. Conditions then improved and prices dropped.

Sunflower oil and rapeseed oil slipped slightly, while groundnut oil slipped.

Palm oil fell, influenced by a rise in Malaysian production. The magazine oil world indicated that Malaysia, the world's leading producer, could see a 22 per cent rise in prices in April-June 1995, compared within the same period a year earlier.

**OIL:** Fluctuating. The price of Brent Crude North Sea Oil, soared to its highest level since March 1993 on Monday, touching 19.35 dollars a barrel after the United States announced a trade and investment embargo against Iran.

The market was reacting to "a resurgence of tension in the Gulf," said Chris Gredudniewicz, an analyst for Smith New Court.

Prices were particularly sensitive to statements from a commander of the elite revolutionary guards warning that "a military confrontation with the United States is inevitable," and to be "prepared for combat."

The market then calmed down and prices fell back below 19 dollars a barrel, touching 18.5 dollars at one point. Analysts indicated that the effort of the embargo on the world oil market would not be significant.

"Of the 3.5 million barrels a day that Iran produces, only 450,000 are bought by the United States, or around 12 per cent of the total," said Gredudniewicz. In addition, no western country followed the US move.

At the end of the week, prices soared through 19 dollars a barrel again on speculative buying as the market became nervous on reports of an increase in world consumption.

**RUBBER:** Higher. Prices rose by around 30 pounds to 1,180 pounds per tonne as

European tyre manufacturers bought large quantities of Indonesian and Malaysian rubber. The market had declined over the past few weeks and was due for a recovery, one analyst said.

**GRANIS:** Firm. Grains were firm at a strong level this week, with wheat trading at 118 pounds per tonne and barley at 112 pounds per tonne.

The weakness of sterling and the French franc continued to encourage dealers to buy in these countries, although activity on the European markets remained extremely low-key.

On the Chicago exchange, prices were boosted by delays in the sowing of the spring wheat in the United States, but then fell back on increased estimates for the 1995 harvest.

The world grain situation remains turbulent, dealers said. After a particularly poor wheat harvest last year, dealers are expecting sharp price rises if the 1995 harvest is disappointing.

**TEA:** Falling. The average price of tea on weekly London auction market fell by five pence to 102 pence per kilogramme after lower quality deliveries. Ceylon teas from Sri Lanka were in demand.

**COTTON:** Lower. The cotton outlook price indicator fell to 1.17 dollars per pound after reaching a peak of 1.19 dollars after speculative sales on the US market. The market also tightened after heavy rains in the south of the US, delaying the plantation of crops.

**WOOL:** Lower. The reference price on the Bradford market, Northern England, fell by five pence to around 505 pence per kilogramme — its lowest level since February — after a fall in Chinese demand.